Hyderabad by the banks. It also does not have any information regarding any bank showing willingness to pump in money for the revival of the said bank.

(b) RBI has further reported that Deposit Insurance and Credit Guarantee Corporation (DICGC) would settle the claims of depositors upto Rs. 1 lakh, as per DICGC Act, 1961 after receipt of claims from the liquidator.

Flying of aircrafts over strategic installations and historic structures

*36. SHRIMATI JAYAPRADA NAHATA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether in view of attacks of bomber aircrafts in U.S., Government have issued fresh guidelines to prohibit flying of aircraft over strategic installations and historic structures in the form of aviation as a weapon for terrorist activity; and

(b) if so, the details in this regard?

THE MINISTER OF CIVIL AVIATION (SHRI SYED SHAHNAWAZ HUSSAIN): (a) No fresh guidelines have been issued.

(b) Does not arise.

Impact of terrorists attack in US on aviation industry

* 37. SHRI K.M. KHAN:
SHRI KRISHNA KUMAR BIRLA:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) what, according to the assessment made by Government, is the overall impact of the recent terrorists attack on the U.S. cities on the aviation industry stating the estimated loss suffered and on the process of disinvestment of Air India; and

(b) what steps are being taken to improve the situation and also for the safety of the passengers going to and coming from abroad?

THE MINISTER OF CIVIL AVIATION (SHRI SYED SHAHNAWAZ HUSSAIN): (a) and (b) Even though no comprehensive study has been made so far to assess the overall impact of the recent terrorists attack on the U.S. cities on the aviation industry, international Air Transport Association (IATA) has estimated the loss to be around USD 7 billion (Rs. 35,000 crores) on international

services worldwide. There has been severe crisis of confidence in air travel amongst the consumers. This has led to a reduction of about 17% in passenger traffic in September itself as compared to previous year. The passenger load factor fell from 78% in August to 69% in September. LATA has also estimated that member airlines have laid off 1,20,000 employees (7% of their total staff). Additionally, aircraft manufacturers have announced lay off on nearly 56,000 employees. Airlines have also resorted to capacity cuts between 10% and 20% on different sectors. Insurance companies have also limited 3rd party liability cover in respect of war, terrorist and other allied activities to USD 1 bilion and imposed additional war risk insurance charge at the rate of USD 1.25 per passenger.

As far as India is concerned, there has been large scale cancellation of travel plan by tourists and business travellers from the US and Western Europe leading to decline in traffic post September 2001. Air India was forced to cancel its flights from the US due to the closure of US air space for 4 days suffering a loss of Rs.8.5 to 10 crores. Due to declining international traffic, United Airlines has discontinued operation to/from India, North West Airlines has discontinued its operation to Delhi, Gulf Air has withdrawn 3 frequences between Bahrain and Mumbai, Swiss Air has withdrawn its operations, SAS has decided to discontinue operation w.e.f. February 2001, Canada 3000 has deferred its plan for operation and Air India has curtailed flights to UK/USA, Japan, Singapore, Hong Kong and Muscat.

It is true that aviation market is down now, but there are inherent strength of Air India and therefore, the tragic events of 11th September 2001 are unlikely to have any adverse impact on the disinvestment of Air India in the long term.

In the short term airlines including Air India have reduced their capacity to match the reduced demand. Government of India has provided indemnity to the tune of the USD 500 million to Air India which is equal to the shortfall in the 3rd party cover required and the same available in the market till 30.11.2001. This cover which was valid only till 12.10.2001 has been extended by the Government till 30.11.2001. However, following security/safety measures have been taken to improve the confidence of the. consumers and to ensure fool proof security of operation:

CO Anti sabotage checks of all aircraft.

(ii) Access control of the aircraft both at the passenger doors and cargo holds.

(iii) Random physical examination of x-ray screened baggage increased to 25-30 per cent

(iv) 100% physical examination of baggage of USA bound passengers, as per emergency amendment by Federal Aviation Administration, as well as all other stringent requirement laid down by FAA.

(v) Enhancement in the security checks of all cabin catering items including meal uplifts.

(vi) Cooling off of all cargo for the prescribed period and x-ray screening of cargo even in the case of known shippers.

(vii) At all vulnerable stations security measures have been increased to the highest threat level for all flights.

Desilting of Major Rivers in Orissa

* 38. SHRI RAMCHANDRA KHUNTIA: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Government have prepared a national action plan for desilting of all the major rivers in the country especially Mahanadi, Brahmani, Vaitami rivers in Orissa;

(b) if so, the details thereof;

(c) if not, the rasons therefor; and

(d) the steps taken by Government for regular desilting of all the major rivers in order to check frequent floods?

THEMTNISTER OF STATE INTHE MINISTRY OF WATER RESOURCES (SHRIMATI BUOYA CHAKRAVARTY): (a) to (d) Flood Management being a State subject, flood control schemes including desilting of rivers to check floods are planned, funded and executed by the State Governments themselves out of their own resources and as per their own priorities. The Central Government renders assistance that are technical, cataly tical and promotional in nature. The Government of India have not prepared any national action plan for desilting of all the major rivers in the country especially Mahanadi, Brahmani, Vaitami rivers in Orissa. The Government of India have recently set up a Committee under the Chairmanship of Dr. B.K. Mittal, former Chairman, Central Water Commission to study the problem of silting in rivers.